THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) The Securities and Exchange Board of India (SEBI) has intimated that net assets of mutual funds declined from Rs. 97,953 crores as on 30th June, 2001 to Rs. 91,811 crores as on 30th September, 2001.

(b) While net assets of private sector mutual funds increased from Rs. 34625 crores to Rs. 35290 crores and net assets of public sector mutual funds declined from Rs. 7404 crores to Rs. 7309 crores, the net assets of UTI declined from Rs. 55924 crores to Rs. 49212 crores.

(c) According to SEBI, the decline in the net assets of mutual funds during the period under reference was apparently due to a fall in stock markets. The BSE Sensitive index declined from 3456 to 2811 during this period.

(d) SEBI has introduced several reforms from time to time keeping in view the interests of investors in mutual funds. These requirements include: strengthening of disclosure standards; that two-thirds of the trustees and 50% of directors of the Asset Management Company (AMC) should be indepenent; disclosure of NAVs on a daily basis in case of open-ended schemes and on a weekly basis in case of close-ended schemes; publishing of unaudited half-yearly results in a prescribed format; AMC s to maintain records in support of each investment decision; guidelines for investment/trading in securities by employees of mutual funds; and the mutual funds to disclose large unit holdings in their schemes.

Further, with effect from November 1, 2001, SEBI has made it mandatory for all mutual funds to appoint agents/distributors certified by the Association of Mutual Funds in India (AMFI). Existing agents/distributors are expected to pass the certification programme by March 31, 2003.

**Revised credit policy of RBI**

2344. SHRI C.M. IBRAHIM : Will the Minister of FINANCE be pleased to state:

(a) what specific changes have been made under the revised credit policy announced by the Reserve Bank of India, with respect to interest on loans to farmers, small entrepreneurs and professionals; and

(b) the bad debts unrecoverable loans written off against the said sections of society during the last three years, and that likely to be written off during the current years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI BALASAHEB VIKHE PATIL) : (a) Reserve Bank of India (RBI) has reported that no specific changes have been made in its latest credit policy with regard to loans to farmers, small entrepreneurs and professionals.

(b) The bad debts written off by public sector banks in the priority sector for the last two years, as reported by RBI are given below :

(Rs. crores)

| Sector | 1999-2000 | 2000-2001 |
|---|---|---|
| Agriculture | 481.44 | 559.84 |
| Small Scale Industries | 321.58 | 608.44 |
| Others | 567.46 | 777.90 |
| TOTAL : | 1370.18 | 1946.18 |

RBI has further reported that information of bad debts likely to be written off during the current years is not available.

**Medium Term Fiscal Reforms Programme**

2345. SHRI B.J. PANDA : Will the Minister of FINANCE be pleased to state.

(a) the name of the States which have drawn up the Medium Term Fiscal Reforms Programme (MTFRP) ;

(b) which States out of them have entered into MoU with Ministry of Finance; and

(c) what is the amount released to States from the Incentive Fund till date ?